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Message Text

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ACTION OES-07

INFO OCT-01 EUR-12 ISO-00 ACDA-10 CIAE-00 INR-07 IO-14
L-03 NSAE-00 NSC-05 EB-08 NRC-07 FEAE-00 DODE-00
ERDA-07 SS-15 SP-02 INRE-00 SSO-00 /098 W
----------071570 261521Z /53
O 261422Z AUG 77
FM AMEMBASSY STOCKHOLM
TO SECSTATE WASHDC IMMEDIATE 1465

UNCLAS STOCKHOLM 3577

STATE FOR OES: CECILE LEDSKY

E.O. 11652: N/A
TAGS: TECH, ENRG, SW
SUBJ: HIGHLY ENRICHED URANIUM (HEU)

REF: LEDSKY-SOHNS TELEPHONE CONVERSATION AUG 23.

1. SCIENTIFIC ATTACHE MET WITH DR. SALTVEDT, MANAGER, R-2 REACTOR RESEARCH, MR. OSTERLUND, NUCLEAR FUELS DEPARTMENT, AND DR. HOLTE, DIRECTOR OF RESEARCH AT STUDSVIK ON AUG 25 TO DISCUSS HEU AND THE R-2 REACTOR. SCIENTIFIC ATTACHE EXPLAINED US DESIRE TO MINIMIZE HEU INVENTORIES AS MUCH AS POSSIBLE AND TO EXPLORE THE POSSIBILITY OF USING LESS ENRICHED URANIUM IN RESEARCH REACTORS.

2. SWEDISH OFFICIALS STRESSED THAT R-2 IS AN ESPECIALLY CONSTRUCTED HIGH NEUTRON FLUX REACTOR REQUIRING 90 TO 93 PERCENT ENRICHED URANIUM. TO USE LESS THAN THIS PERCENTAGE ENRICHMENT WOULD REQUIRE EXPENSIVE AND LONG-TERM REMODIFICATION, INCREASE OPERATIONAL COSTS, RESULT IN MORE RAPID BURN-UP OF FUEL, AND INCREASE FUEL COSTS BY MORE THEN 30 PERCENT. SALTVEDT SAID THAT IF R-2 FUEL COSTS WERE INCREASED BY 1 TO 2 MILLION SWEDISH CROWNS PER YEAR (FOR WHATEVER REASON), THE CONTINUED OPERATION OF THE RESEARCH REACTOR WOULD BE IN JEOPARDY.

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3. DR. GUNNAR HOLTE REMARKED THAT STUDSVIK NUCLEAR RESEARCH CENTER HAS BEEN REQUESTED BY THE GOVERNMENT TO FIND WAYS TO REDUCE OR ELIMINATE THE NEED FOR GOVERNMENT APPROPRIATIONS. ONE OF THE WAYS OF REDUCING GOVERNMENT SUPPORT IS TO INCREASE ACCESS TO SERVICES (AND HENCE INCOME) PROVIDED BY THE R-2 REACTOR. IN THE ABSENCE OF HEU, AS OBTAINED FROM THE US AND IN THE WUANTITIES PRESENTLY REQUIRED, THE R-2 REACTOR WOULD HAVE TO BE CLOSED.

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SOME OF THE CONSEQUENCES ARE THE FOLLOWING: (A) LOSS OF EMPLOY-
MENT FOR STUDSVIK SCIENTISTS AND ENGINEERS INVOLVED IN THE R-2
PROGRAM, (B) THE END OF ONE OF THE BEST EQUIPPED RESEARCH REACTORS
IN EUROPE, (C) A FINANCIAL LOSS TO THE STUDSVIK CENTER OF ABOUT
6 MILLION SWEDISH CROWNS PER ANNUM FROM SALES OF ISOTOPES AND
VARIOUS SERVICES, AND (D) THE CREATION OF A SERIOUS "COMPETENCE
GAP" IN SWEDEN'S NUCLEAR ENGINEERING CAPABILITY.

4. STUDSVIK OFFICIALS ARE PREPARED TO PROVIDE WHATEVER DATA AND
INFORMATION THAT MAY BE NEEDED TO JUSTIFY THE CONTINUED USE OF
HEU AND TO COOPERATE WITH US TO THE MAXIMUM EXTENT.

5. COMMENT: IT IS CLEAR THAT UNAVAILABILITY OF HEU WOULD CREATE
A CRISIS SITUATION FOR THE CONTINUED OPERATION OF THE R-2 REACTOR.
THE LOSS OF INCOME FROM R-2 SALES AND SERVICES WOULD HAVE SERIOUS
IMPACT ON THE FUTURE OF THE STUDSVIK NUCLEAR RESEARCH CENTER AS AN
ENTITY. PLEASE SEE STOCKHOLM A-128, PAGES 10-19, FOR A RECENT
REVIEW OF THE R-2 REACTOR OPERATION.

6. PLEASE KEEP US POSTED ON HEU DEVELOPEMENTS AND ADVISE US ON
NECT STEPS TO TAKE IN CONNECTION WITH THE R-2 REACTOR.
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Message Attributes

Automatic Decaptioning: X
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Channel Indicators: n/a
Current Classification: UNCLASSIFIED
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Disposition Approved on Date:
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Disposition Comment:
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Executive Order: N/A
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Secure: OPEN
Status: NATIVE
Subject: HIGHLY ENRICHED URANIUM (HEU)
TAGS: TECH, ENRG, SW, US
To: STATE
Type: TE
vdkvgwkey: odbc://SAS/SAS.dbo.SAS_Docs/86e9df51-c288-dd11-92da-001cc4696bcc
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